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RUEHBO/AMEMBASSY BOGOTA 3454  
RUEHBR/AMEMBASSY BRASILIA 7312  
RUEHBU/AMEMBASSY BUENOS AIRES 4574  
RUEHCV/AMEMBASSY CARACAS 1831  
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RUEHSG/AMEMBASSY SANTIAGO 9041  
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RUMIAAA/USCINCSO MIAMI FL  
RUEHLMC/MILLENNIUM CHALLENGE CORP  
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SUBJECT: BOLIVIA - PARAGUAY RELATIONS HIT A BUMP, BOUNCE  
BACK

REF: ASUNCION 0992

Classified By: CDA Kris R. Urs for reasons 1.4 (b) and (d).

¶1. (C) Summary: Bolivian Interior Vice Minister Rafael Puente's September 27 statement calling Paraguayan President Nicanor Duarte a "cynical liar" caused a diplomatic roil between Bolivia and Paraguay which ended with an official apology by the GOB and Puente's dismissal. End summary.

¶2. (U) On the morning of September 27, Interior Vice Minister Rafael Puente caused a diplomatic spat between Bolivia and Paraguay, accusing Paraguay President Nicanor Duarte of being a "cynical liar" in the asylum case of Paraguayan nationals Angel Acosta and Blas Franco, who are wanted for the kidnapping and murder of Paraguayan ex-President Raul Cubas' daughter Cecilia. VM Puente charged that Paraguay submitted forged documentation to President Morales. Paraguayan Foreign Minister Ruben Ramirez subsequently called for an "immediate correction." In response, Bolivian Foreign Minister David Choquehuanca sent a note to the government of Paraguay "officially regretting the baseless statements of Vice Minister Puente." Defense Secretary Walker San Miguel, on an official visit to

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Paraguay, was reportedly given instructions to smooth over the situation. Later that afternoon, VM Puente publicly refused to retract his previous statements. Interior Minister Alicia Munoz then announced at 10 p.m. that VM Puente had been relieved of his position because of his "personal declarations." Minister Munoz then named Ruben Gamarra as the new interior vice minister.

¶3. (C) Paraguayan DCM Maria Graciela Caballero told Poloff September 28 that the matter had been "overcome" and that relations between Paraguay and Bolivia were again "calm". She said Paraguay at one point threatened to withdraw its ambassador, but now considered the matter closed; she would go ahead with her planned vacation. Paraguayan Ambassador Nimia Oviedo told the press that her country was "satisfied that this situation didn't go any further."

14. (C) Comment: This is the latest in a string of diplomatic missteps involving Bolivia's neighbors. Paraguay lost no time in denouncing the VM's accusations, thus forcing a quick retreat by the GOB and the subsequent dismissal of VM Puente. Interestingly, VM Puente was often at odds with Minister Munoz. Puente was one of the more radical anti-American influences within the GOB and was known to be working against U.S. interests. We do not yet know much about his replacement. End Comment.

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